NEWS RELEASE

Banco Popolare: update on year-end 2012 estimates (impact of associate Agos-Ducato S.p.a. and increase in cost of credit in fourth quarter)

Verona, 04 March 2013 – Pursuant to art. 68, paragraph two, of the Issuers Regulation, in the light of the data being obtained upon preparing the annual report, Banco Popolare recognized the possibility of a divergence between the 2012 net income expected by the market ("consensus estimate") and our estimates. The variance regards primarily the share of loss attributable to the Group as a result of the performance of the associate Agos-Ducato S.p.A. and total loan loss provisions. With respect to the contribution of Agos-Ducato S.p.A., it is recalled that in the first nine months of the year Agos-Ducato S.p.A. reported a loss of 125.9 million. Accordingly, Banco Popolare recognized a 48.7 million euro charge in its nine-month consolidated income statement. This charge added to the previous year's lower share of profit of the associate caused by the change in the draft financial statements as at 31 December 2011 after the approval of Banco Popolare's corresponding financial statements (67.6 million euro). The negative results reported by the associate in 2011 and in the first nine months of 2012 do not include any impairment to the goodwill recognized in the financial statements, as the impairment test the company conducted in July 2012 based on the business plan that had been approved at that time produced a value in use that was much higher than the book value of the goodwill itself, and as such justified the book value of the shareholding in Agos-Ducato as reported in Banco Popolare's consolidated financial statements as at 30 September 2012.

Although the associate has not prepared its draft financial statements as at 31 December 2012, and no goodwill impairment test has been conducted, yet the negative indications gathered from the communications made to the market by the Crédit Agricole Group in its capacity as holding company of Agos-Ducato on 20 February last, together with the preliminary and partial information (which at present is undergoing an analytical examination, still in progress) made available to shareholders by Agos Ducato S.p.A., suggest that in the fourth quarter the associate could report greater losses than expected. Although to date the amount of said loss is unknown, the examination of the available documentation indicate that it may cause a negative impact on Banco Popolare's Q4 consolidated income statement of about 100 million euro as a result of higher loan loss provisions for the associate. This estimate does not include the share of goodwill impairment the associate may recognize, nor the impairment of the greater value at which the shareholding in Agos Ducato was recognized in Banco Poplare's consolidated financial statements as compared with the interest in the associate's share capital. To date, Agos-

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Ducato has not conducted the annual impairment test yet, as discussions and checks on the contents of a possible new business plan are still under way, which will require the approval of both shareholders to be passed.

As to loan loss provisions at Banco Popolare Group level, the estimates expressed by the market underestimated the impact of the cost of credit in the fourth quarter, which based on the preliminary data resulting from the ongoing preparation of the financial statements should stand at little more than 650 million euro. This dynamic was also driven by the inspections carried out by the Supervisory Authority on the Italian banking industry.

In the light of what explained above, net of impacts that may result from the impairment test of the goodwill recognized in the financial statements of Agos-Ducato and from the carrying amount of the shareholding in the consolidated financial statements of Banco Popolare, and not including any purely accounting effects caused by the fair value measurement of debt securities issued primarily as a result of the better rating (FVO), internal estimates point at a Group 2012 net loss of about 330 million.

Despite the above estimates, the Group confirms a Core Tier 1 ratio that, in spite of the less favorable expected scenario, is still exceeding the minimum target set by the EBA (9% including the sovereign capital buffer), as well as a robust liquidity position, with the liquidity coverage ratio and the net stable funding ratio above the Basel 3 targets.

Based on the available preliminary data, operations, net of extraordinary items (including those covered in this press release), report a fully positive performance.

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